

# State of South Dakota

EIGHTIETH SESSION  
LEGISLATIVE ASSEMBLY, 2005

339L0339

## SENATE EDUCATION COMMITTEE ENGROSSED NO. **HB 1067** - 02/24/2005

Introduced by: Representatives Rhoden and Hargens and Senators Bogue and Moore

1 FOR AN ACT ENTITLED, An Act to revise the property tax levies for the general fund and the  
2 special education tax levy of a school district.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-12-42 be amended to read as follows:

5 10-12-42. For taxes payable in ~~2005~~ 2006 and each year thereafter, the levy for the general  
6 fund of a school district shall be as follows:

7 (1) The maximum tax levy shall be ~~eleven~~ ten dollars and ~~forty-five~~ ninety cents per  
8 thousand dollars of taxable valuation subject to the limitations on agricultural  
9 property as provided in subdivision (2) of this section, owner-occupied property as  
10 provided for in subdivision (3) of this section, and nonagricultural acreage property  
11 as provided for in subdivision (4) of this section;

12 (2) The maximum tax levy on agricultural property for such school district shall be three  
13 dollars and ~~thirty-two~~ sixteen cents per thousand dollars of taxable valuation. If the  
14 district's levies are less than the maximum levies as stated in this section, the levies  
15 shall maintain the same proportion to each other as represented in the mathematical



relationship at the maximum levies;

(3) The maximum tax levy for an owner-occupied single-family dwelling as defined in § 10-13-40, for such school district may not exceed five dollars and ~~thirty-four~~ nine cents per thousand dollars of taxable valuation. If the district's levies are less than the maximum levies as stated in this section, the levies shall maintain the same proportion to each other as represented in the mathematical relationship at the maximum levies; and

(4) The maximum tax levy on nonagricultural acreage property as defined in § 10-6-33.14, for such school district shall be four dollars and ~~thirty-two~~ sixteen cents per thousand dollars of taxable valuation. If the district's levies are less than the maximum levies as stated in this section, the levies shall maintain the same proportion to each other as represented in the mathematical relationship at the maximum levies.

All levies in this section shall be imposed on valuations where the median level of assessment represents eighty-five percent of market value as determined by the Department of Revenue and Regulation. These valuations shall be used for all school funding purposes. If the district has imposed an excess levy pursuant to § 10-12-43, the levies shall maintain the same proportion to each other as represented in the mathematical relationship at the maximum levies in this section. The school district may elect to tax at less than the maximum amounts set forth in this section.

Section 2. That § 13-37-35.1 be amended to read as follows:

13-37-35.1. Terms used in chapter 13-37 mean:

- (1) "Level one disability," a mild disability;
- (2) "Level two disability," a mental retardation or emotional disorder;

- 1       (3)    "Level three disability," hearing impairment, deafness, visual impairment,  
2            deaf-blindness, orthopedic impairment, or traumatic brain injury;
- 3       (4)    "Level four disability," autism;
- 4       (5)    "Level five disability," multiple disabilities;
- 5       (5A)   "Level six disability," prolonged assistance;
- 6       (6)    "Index factor," is the annual percentage change in the consumer price index for urban  
7            wage earners and clerical workers as computed by the Bureau of Labor Statistics of  
8            the United States Department of Labor for the year before the year immediately  
9            preceding the year of adjustment or three percent, whichever is less;
- 10      (7)    "Local effort," is the amount of taxes payable each year, using a levy for the special  
11            education fund of a school district of one dollar and twenty-five cents per thousand  
12            dollars of taxable valuation;
- 13      (8)    "Allocation for a student with a level one disability," for the school fiscal year  
14            beginning July 1, 2004, is \$3,533.13. For each school year thereafter, the allocation  
15            for a student with a level one disability shall be the previous fiscal year's allocation  
16            for such child increased by the lesser of the index factor or three percent;
- 17      (9)    "Allocation for a student with a level two disability," for the school fiscal year  
18            beginning July 1, 2004, is \$8,277.21. For each school year thereafter, the allocation  
19            for a student with a level two disability shall be the previous fiscal year's allocation  
20            for such child increased by the lesser of the index factor or three percent;
- 21      (10)   "Allocation for a student with a level three disability," for the school fiscal year  
22            beginning July 1, 2004, is \$12,580.73. For each school year thereafter, the allocation  
23            for a student with a level three disability shall be the previous fiscal year's allocation  
24            for such child increased by the lesser of the index factor or three percent;

1       (11) "Allocation for a student with a level four disability," for the school fiscal year  
2           beginning July 1, 2004, is \$12,001.80. For each school year thereafter, the allocation  
3           for a student with a level four disability shall be the previous fiscal year's allocation  
4           for such child increased by the lesser of the index factor or three percent;

5       (12) "Allocation for a student with a level five disability," for the school fiscal year  
6           beginning July 1, 2004, is \$15,882.21. For each school year thereafter, the allocation  
7           for a student with a level five disability shall be the previous fiscal year's allocation  
8           for such child increased by the lesser of the index factor or three percent;

9       (12A) "Allocation for a student with a level six disability," for the school fiscal year  
10          beginning July 2004, is \$8,122.23. For each school year thereafter, the allocation for  
11          a student with a level six disability shall be the previous fiscal year's allocation for  
12          such child increased by the lesser of the index factor or three percent;

13      (13) "Child count," is the number of students in need of special education or special  
14          education and related services according to criteria set forth in rules promulgated  
15          pursuant to §§ 13-37-1.1 and 13-37-46 submitted to the Department of Education in  
16          accordance with rules promulgated pursuant to § 13-37-1.1;

17      (14) "Average daily membership," the average number of kindergarten through twelfth  
18          grade pupils enrolled in all schools operated by the school district during the previous  
19          regular school year plus the average number of pupils for whom the district pays  
20          tuition;

21      (15) "Nonpublic school," a sectarian organization or entity which is accredited by the  
22          secretary of education for the purpose of instructing children of compulsory school  
23          age. This definition excludes any school that receives a majority of its revenues from  
24          public funds;

(16) "Nonpublic average daily membership," the average number of children under age sixteen who are approved for alternative instruction pursuant to § 13-27-2 during the previous school year plus:

(a) For nonpublic schools located within the boundaries of a public school district with an average daily membership of six hundred or more during the previous school year, the average number of kindergarten through twelfth grade pupils enrolled during the previous regular school year in all nonpublic schools located within the boundaries of the public school district;

(b) For nonpublic schools located within the boundaries of a public school district with an average daily membership of less than six hundred during the previous school year, the average number of resident kindergarten through twelfth grade pupils enrolled during the previous school year in all nonpublic schools located within the State of South Dakota;

(17) "Special education average daily membership," average daily membership plus nonpublic average daily membership;

(18) "Local need," an amount to be determined as follows:

(a) Multiply the special education average daily membership by 0.1013 and multiply the result by the allocation for a student with a level one disability;

(b) Multiply the number of students having a level two disability as reported on the child count for the previous school fiscal year by the allocation for a student with a level two disability;

(c) Multiply the number of students having a level three disability as reported on the child count for the previous school fiscal year by the allocation for a student with a level three disability;

- 1 (d) Multiply the number of students having a level four disability as reported on
- 2 the child count for the previous school fiscal year by the allocation for a
- 3 student with a level four disability;
- 4 (e) Multiply the number of students having a level five disability as reported on
- 5 the child count for the previous school fiscal year by the allocation for a
- 6 student with a level five disability;
- 7 (f) Multiply the number of students having a level six disability as reported on the
- 8 child count for the previous school fiscal year by the allocation for a student
- 9 with a level six disability;
- 10 (g) Sum the results of (a) through (f);
- 11 (19) "Effort factor," the school district's special education tax levy in dollars per thousand
- 12 divided by ~~\$1.25~~ \$1.20. The maximum effort factor is 1.0.